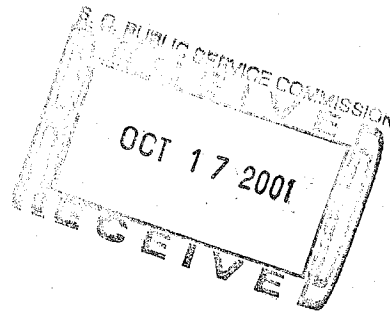


**POSTED**  
02/10/17/01

**Application of Dowd Water  
Systems, Inc. requesting approval  
for the establishment of rates and  
charges for Emerald Shores and  
Isle of Pines in Lexington County**



***Docket No. 2001-181-W***

RETURN DATE: OK OK  
SERVICE: OK OK

***Testimony of  
Charles A. Creech  
Utilities Department***

***Public Service Commission of South Carolina***

1   **Q   WOULD YOU PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND**  
2       **OCCUPATION?**

3   A.   My name is Charles A. Creech and my business address is, 101 Executive Center  
4       Drive, Columbia, SC 29210. I am employed by the Public Service Commission of  
5       South Carolina in the Utilities Department as Chief of Water and Wastewater. I have  
6       been with the Commission since July of 1972.

7   **Q.   WHAT IS THE PURPOSE OF YOUR TESTIMONY REGARDING DOWD**  
8       **WATER SYSTEMS, INC.?**

9   A.   The purpose of my testimony is to advise the Commission of the issues under  
10      consideration in this matter, and of the service provided by the Company.

11   **Q.   WOULD YOU PLEASE TELL THE COMMISSION THE MATTERS THAT**  
12      **ARE BEFORE THEM TODAY?**

13   A.   The matter before the Commission today is for approval of a flat rate for monthly  
14      water usage in Emerald Shores and Isle of Pines Subdivisions, both being located in  
15      the Chapin area of Lexington County and also approving service areas for these two  
16      subdivisions.

17      The water system in the Isle of Pines Subdivision was initially installed in the late  
18      1960s and presently consists of 20 customers, 5 full time and 15 part time. The  
19      customers in Isle of Pines have been paying \$12.00 a month flat rate for water. These  
20      rates have not been approved by the Commission. Staff surveyed the water system on  
21      October 9, 2001. The pressure varied from 48 PSI TO 60 PSI. The only service  
22      complaint was that at times the water pressure was low.

1 The water system in Emerald Shores Subdivision was initially installed in the early  
2 1970s and presently consists of 17 full time customers. The customers in Emerald  
3 Shores have been paying \$20.00 per month flat rate for water. These rates have not  
4 been approved by the Commission.

5 **Q. SINCE THE NOTICE OF FILING WAS MAILED TO EACH CUSTOMER,**  
6 **HOW HAVE THE AFFECTED CUSTOMERS RESPONDED?**

7 A. Staff received four (4) letters in opposition to the rate increase in Emerald Shores. The  
8 biggest objection was the amount of the increase. We received no letters opposing or  
9 approving of the rates in Isle of Pines, primarily because the amount of the requested  
10 increase was not as great as the amount requested in Emerald Shores. Staff has been  
11 aware of service problems that existed in the Isle of Pines for about a week starting  
12 around August 1, 2001. We have surveyed some of the customers in this subdivision  
13 and one of the homeowners and a leader in the community and he is of the belief that  
14 the system will be taken over by the homeowners and operated as a homeowners  
15 association. Mrs. Dowd has agreed to give the system to them.

16 **Q. HAVE YOU FILED ANY EXHIBITS WITH YOUR TESTIMONY?**

17 A. We have filed four (4) exhibits as part of this Report.

18 *Exhibit #1* shows the monthly impact on the customers..

19 *Exhibit #2* shows the impact of the requested rates on revenue.

20 *Exhibits #3 & #4* are the results of Staff 's review of the water systems.

21 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

22 A. Yes, it does.

**EFFECT OF PROPOSED RATE  
ON MONTHLY CUSTOMERS' BILL**

**ISLE OF PINES**

| <b>No. of Customers</b> | <b>Present Rates</b> | <b>Proposed Rates</b> | <b>Amount of<br/>increase</b> |
|-------------------------|----------------------|-----------------------|-------------------------------|
| 5 fulltime              | \$12.00              | \$35.00               | \$23.00                       |
| 15 parttime             | \$12.00              | \$25.00               | \$13.00                       |

**EMERALD SHORES**

| <b>No. of Customers</b> | <b>Present Rates</b> | <b>Proposed Rates</b> | <b>Amount of<br/>increase</b> |
|-------------------------|----------------------|-----------------------|-------------------------------|
| 20 fulltime             | \$20.00              | \$62.00               | \$42.00                       |

**REVENUE AT PRESENT & PROPOSED RATES****ISLE OF PINES**

| <b>No. of Customers</b> | <b>Present Revenue</b> | <b>Proposed Revenue</b> | <b>Amount of increase</b> |
|-------------------------|------------------------|-------------------------|---------------------------|
| 5 fulltime              | \$ 720                 | \$2,100                 | \$1,380                   |
| 15 parttime             | \$2,160                | \$4,500                 | \$2,340                   |

**EMERALD SHORES**

| <b>No. of Customers</b> | <b>Present Revenue</b> | <b>Proposed Revenue</b> | <b>Amount of increase</b> |
|-------------------------|------------------------|-------------------------|---------------------------|
| 17 fulltime             | \$4,080                | \$12,648                | \$8,568                   |

**COMBINED**

| <b>No. of Customers</b> | <b>Present Revenue</b> | <b>Proposed Revenue</b> | <b>Amount of increase</b> |
|-------------------------|------------------------|-------------------------|---------------------------|
|                         | \$6,960                | \$19,248                | \$12,288                  |

# **WATER SYSTEM INSPECTION**

|   |  |                 |
|---|--|-----------------|
| UTILITY <u>Dowd Water Systems, Inc.</u>                                     | INSPECTED BY <u>Charles A. Creech</u>          |                 |
| SYSTEM <u>Isle of Pines</u>   | DATE INSPECTED <u>October 9, 2001</u>          |                 |
|   | COMPANY REP <u>Mrs. Sue Dowd</u>               |                 |
| TOTAL NUMBER OF WELL SITES <u>1</u>   |  |                 |
| NUMBER OF WELLS NOT IN OPERATION <u>0</u>                                   |  |                 |
| REASON FOR INOPERABLE WELLS _____   |  |                 |
| PUMP HOUSES   | YES <u>✓</u> NO _____                          | NUMBER <u>1</u> |
| ELECTRIC WIRING   | ACCEPTABLE <u>✓</u> FAULTY _____               |                 |
| EXPOSED PIPING  | YES _____ NO <u>✓</u>                          |                 |
| LOCATION _____  |  |                 |
| CHLORINATOR   | YES _____ NO <u>✓</u>                          |                 |
| OTHER CHEMICALS   | YES _____ NO <u>✓</u>                          |                 |
| IN USE  | YES _____ NO _____                             |                 |
| STORAGE   | PRESSURE TANK <u>✓</u> NON-PRESSURE TANK _____ |                 |
|   | GROUND LEVEL <u>✓</u> OVERHEAD _____           |                 |
| SIZE IN GALLONS   | <u>800</u>                                     |                 |
| P.S.I. AT TANK  | <u>65</u>                                      |                 |
| METERS  | YES _____ NO <u>✓</u>                          |                 |
| FIRE HYDRANTS   | YES _____ NO <u>✓</u>                          |                 |
| BLOW OFF  | YES <u>✓</u> NO _____                          |                 |
| AIR IN LINES  | YES _____ NO <u>✓</u>                          |                 |
| SAND IN WATER   | YES _____ NO <u>✓</u>                          |                 |
| CLARITY OF WATER  | <u>Good</u>                                    |                 |
| ODOR  | <u>None</u>                                    |                 |
| LEAKS   | YES _____ NO <u>✓</u>                          |                 |
| LOCATION _____  |  |                 |
|   |  |                 |
| NEW CONSTRUCTION  | YES <u>✓</u> NO _____                          |                 |
| HOUSES  | YES <u>✓</u> NO _____                          |                 |
| UTILITY   | YES _____ NO <u>✓</u>                          |                 |
| NATURE _____  |  |                 |
| FREQUENCY CHECKED BY OPERATOR <u>3 times per week</u>                       |  |                 |
| APPROXIMATE NUMBER OF CUSTOMERS <u>20</u> CAPACITY OF SYSTEM <u>unknown</u> |  |                 |
| LOCATION OF UTILITY OFFICE <u>77 Dowd Rd., Prosperity, SC 29127</u>         |  |                 |
| LOCATION OF SYSTEM <u>Lexington County off Amick's Ferry Rd.</u>            |  |                 |
| SYSTEM APPROVED BY COMMISSION YES _____ NO <u>✓</u> DATE _____              |  |                 |
| IS SUBDIVISION PROVIDED SEWER BY THIS UTILITY? YES _____ NO <u>✓</u>        |  |                 |
| BY WHOM? <u>Septic Tanks</u>  |  |                 |
| OTHER COMMENTS _____  |  |                 |

# **WATER SYSTEM INSPECTION**

|   |                                       |                         |
|---|---------------------------------------|-------------------------|
| UTILITY <u>Dowd Water Systems, Inc.</u>                                     | INSPECTED BY <u>Charles A. Creech</u> |                         |
| SYSTEM <u>Emerald Shores</u>  | DATE INSPECTED <u>October 9, 2001</u> |                         |
|   | COMPANY REP <u>Mrs. Sue Dowd</u>      |                         |
| TOTAL NUMBER OF WELL SITES <u>2</u>   |                                       |                         |
| NUMBER OF WELLS NOT IN OPERATION <u>0</u>                                   |                                       |                         |
| REASON FOR INOPERABLE WELLS _____   |                                       |                         |
| PUMP HOUSES   | YES <u>✓</u> NO _____                 | NUMBER <u>1</u>         |
| ELECTRIC WIRING   | ACCEPTABLE <u>✓</u>                   | FAULTY _____            |
| EXPOSED PIPING  | YES _____ NO <u>✓</u>                 |                         |
| LOCATION _____  |                                       |                         |
| CHLORINATOR   | YES _____ NO <u>✓</u>                 |                         |
| OTHER CHEMICALS   | YES _____ NO <u>✓</u>                 |                         |
| IN USE  | YES _____ NO _____                    |                         |
| STORAGE   | PRESSURE TANK _____                   | NON-PRESSURE TANK _____ |
|   | GROUND LEVEL <u>✓</u>                 | OVERHEAD _____          |
| SIZE IN GALLONS   | <u>5,000</u>                          |                         |
| P.S.I. AT TANK  | <u>55</u>                             |                         |
| METERS  | YES _____ NO <u>✓</u>                 |                         |
| FIRE HYDRANTS   | YES _____ NO <u>✓</u>                 |                         |
| BLOW OFF  | YES <u>✓</u> NO _____                 |                         |
| AIR IN LINES  | YES _____ NO <u>✓</u>                 |                         |
| SAND IN WATER   | YES _____ NO <u>✓</u>                 |                         |
| CLARITY OF WATER  | <u>Good</u>                           |                         |
| ODOR  | <u>None</u>                           |                         |
| LEAKS   | YES _____ NO <u>✓</u>                 |                         |
| LOCATION _____  |                                       |                         |
|   |                                       |                         |
| NEW CONSTRUCTION  | YES <u>✓</u> NO _____                 |                         |
| HOUSES  | YES <u>✓</u> NO _____                 |                         |
| UTILITY   | YES _____ NO <u>✓</u>                 |                         |
| NATURE _____  |                                       |                         |
| FREQUENCY CHECKED BY OPERATOR <u>3 times per week</u>                       |                                       |                         |
| APPROXIMATE NUMBER OF CUSTOMERS <u>17</u> CAPACITY OF SYSTEM <u>unknown</u> |                                       |                         |
| LOCATION OF UTILITY OFFICE <u>77 Dowd Rd., Prosperity, SC 29127</u>         |                                       |                         |
| LOCATION OF SYSTEM <u>Lexington County (Old Ferry Rd)</u>                   |                                       |                         |
| SYSTEM APPROVED BY COMMISSION YES _____ NO <u>✓</u> DATE _____              |                                       |                         |
| IS SUBDIVISION PROVIDED SEWER BY THIS UTILITY? YES _____ NO <u>✓</u>        |                                       |                         |
| BY WHOM? <u>Septic Tanks</u>  |                                       |                         |
| OTHER COMMENTS _____  |                                       |                         |